

**65.182 Procedures for creating taxing district.**

Except as otherwise provided by state law, the sole methods of creating a taxing district shall be in accordance with the following:

- (1) (a) Persons desiring to form a taxing district shall present a petition to the fiscal court clerk and to each member of the fiscal court, meeting the criteria of KRS 65.184, and signed by a number of registered voters equal to or greater than twenty-five percent (25%) of an average of the voters living in the proposed taxing district and voting in the last four (4) general elections. At time of its submission to fiscal court, each petition shall be accompanied by a plan of service, showing such of the following as may be germane to the purposes for which the taxing district is being formed:

1. The statutory authority under which the district is created and under which the taxing district will operate;
2. Demographic characteristics of the area including but not limited to population, density, projected growth, and assessed valuation;
3. A description of the service area including but not limited to the population to be served, a metes and bounds description of the area of the proposed taxing district, the anticipated date of beginning service, the nature and extent of the proposed service, the projected effect of providing service on the social and economic growth of the area, and projected growth in service demand or need;
4. A three (3) year projection of cost versus revenue;
5. Justification for formation of the taxing district including but not limited to the location of nearby governmental and nongovernmental providers of like services; and
6. Any additional information, such as land use plans, existing land uses, drainage patterns, health problems, and other similar analyses which bear on the necessity and means of providing the proposed service.

- (b) A majority of the members of a fiscal court may vote to form a taxing district set forth in a plan of service that shall contain those items set forth in paragraph (a)1. to 6. of this subsection as may be germane to the purposes for which the taxing district is being formed.

- (2) The fiscal court clerk shall notify all planning commissions, cities, and area development districts within whose jurisdiction the proposed service area is located and any state agencies required by law to be notified of the proposal for the creation of the taxing district.
- (3) The fiscal court clerk shall schedule a hearing on the proposal for no earlier than thirty (30) nor later than ninety (90) days following receipt of the petition, charter, and plan of service, and shall, in accordance with the provisions of KRS Chapter 424, publish notice of the time and place of the public hearing and an accurate map of the area or a description in layman's terms reasonably identifying the area.

- (4) At the public hearing, the fiscal court shall take testimony of interested parties and solicit the recommendations of any planning commission, city, area development district, or state agency meeting the criteria of subsection (2) of this section.
- (5) The fiscal court may extend the hearing, from time-to-time, for ninety (90) days from the date of the initial hearing and shall render a decision within thirty (30) days of the final adjournment of the hearing.
- (6) Following the hearing, the fiscal court shall set forth its written findings of fact and shall approve or disapprove the formation of the taxing district to provide service as described in the plan of service and to exercise the powers granted by the specific statutes that apply to the taxing district being formed.
- (7) The creation of a taxing district shall be of legal effect only upon the adoption of an ordinance, in accordance with the provisions of KRS 67.075 and 67.077, creating the taxing district, and compliance with the requirements of KRS 65.005.
- (8) A certified copy of the ordinance creating the taxing district shall be filed with the county clerk who shall add the levy to the tax bills of the county. For taxing purposes, the effective date of the tax levy shall be January 1 of the year following the certification of the creation of the taxing district.
- (9) Nothing in this section shall be construed to enlarge upon or to restrict the powers granted a taxing district under the taxing district's specific authorizing statutes.
- (10) In a county which does not contain a city of the first class, the fiscal court may adopt the procedures of KRS 65.192 to create a fire protection district or a volunteer fire department district, but only those qualified voters who live within the boundaries of the proposed district shall vote on the question of whether it shall be established.

**Effective:** July 15, 2002

**History:** Amended 2002 Ky. Acts ch. 361, sec. 12, effective July 15, 2002. -- Amended 1994 Ky. Acts ch. 155, sec. 1, effective July 15, 1994. -- Created 1984 Ky. Acts ch. 100, sec. 2, effective July 13, 1984.

75.015-1

**75.015 Formation of fire protection subdistrict -- Tax levy -- Expenditure of tax revenues -- Separation of subdistrict amounts in tax billing and in accounting.**

- (1) A fire protection subdistrict may be formed according to the provisions of this section. A fire protection subdistrict shall:
  - (a) Be located within the territorial limits of a fire protection district or volunteer fire department district;
  - (b) Have a continuous boundary; and
  - (c) Be managed by the board of trustees of the district, which shall:
    1. Impose an ad valorem tax on property in the subdistrict in addition to the ad valorem tax the board imposes on property in the district as a whole; and
    2. Expend the revenue from that additional tax on improved fire protection facilities and services for the subdistrict.
- (2) Persons desiring to form a fire protection subdistrict shall present a petition to the fiscal court clerk and to each member of the fiscal court. The petition shall be accompanied by a map and a metes and bounds description or other description which specifically identifies the boundaries of the proposed subdistrict. The petition shall be signed by more than sixty percent (60%) of the persons who both:
  - (a) Live within the proposed subdistrict; and
  - (b) Own property that is located within the proposed subdistrict and is subject to taxation by the district under KRS 75.040.
- (3) The petition shall contain the name and address of each petitioner and the address of each petitioner's property that is located within the proposed subdistrict. It shall be in substantially the following form: "The following owners of property located within (insert the name of the fire protection district or volunteer fire department district) hereby petition the fiscal court to form a fire protection subdistrict located at (insert a brief description of the location of the proposed subdistrict). The board of trustees of (insert the name of the fire protection district or volunteer fire department district) shall have the authority to impose a special ad valorem tax of (insert amount, not to exceed the maximum allowed under subsection (6) of this section) on each one hundred dollars (\$100) worth of property assessed for local taxation in the subdistrict, in order to provide enhanced fire protection for the subdistrict. This tax shall be in addition to the ad valorem tax imposed by the trustees on the district as a whole."
- (4) Upon receipt of the petition, the fiscal court shall hold a hearing and provide notification in the manner required for creation of a taxing district under KRS 65.182(2) to (5). Following the hearing, the fiscal court shall set forth its written findings of fact and shall approve or disapprove the formation of the subdistrict. The creation of the subdistrict shall be of legal effect only upon the adoption of an ordinance in accordance with the provisions of KRS 67.075 to 67.077. A certified copy of the ordinance creating the subdistrict shall be filed with the county clerk.

75.015-2

- (5) Upon the creation of a fire protection subdistrict, the trustees shall levy a tax, not to exceed the amount stated in the petition, on the property in the subdistrict, for the purpose of improving fire protection facilities and services in the subdistrict.
  - (6) The tax levied under this section, combined with the tax for fire and emergency services levied on the entire district under KRS 75.040, shall not exceed:
    - (a) Ten cents (\$0.10) per one hundred dollars (\$100) of valuation as assessed for county taxes if neither the fire district nor the fire subdistrict operates an emergency ambulance service under KRS 75.040; or
    - (b) Twenty cents (\$0.20) per one hundred dollars (\$100) of valuation as assessed for county taxes if either the fire district or fire subdistrict operates an emergency ambulance service under KRS 75.040.
- At no time shall the trustees increase either of these taxes so that the combined total exceeds this limit.
- (7) The county clerk shall add the levy to the tax bills of the affected property owners. For taxing purposes, the effective date of the tax levy shall be January 1 of the year following the certification and creation of the subdistrict. The tax shall be administered in the same manner as the tax on the entire district under KRS 75.040(2) and (3).
  - (8) The board of trustees shall not reduce the tax rate imposed on property in the district as a whole as a result of receiving extra revenue from the additional tax on property in the subdistrict. The trustees shall expend the extra revenue solely on improving fire protection facilities and services in the subdistrict and shall not expend the extra revenue on facilities or services that are shared by the entire district.
  - (9) Fire subdistrict taxes shall be placed on the tax bill in a place separate from the bill of the fire district tax so that ratepayers can ascertain the amount of each tax and its rate.
  - (10) The sheriff shall separately account to the fire district for the funds collected for each subdistrict within the fire district.
  - (11) Fire districts shall maintain a separate accounting of all subdistrict funds, and if there is more than one (1) subdistrict, a separate accounting for each subdistrict.

Effective: July 13, 2004

History: Amended 2004 Ky. Acts ch. 151, sec. 2, effective July 13, 2004. -- Amended 1996 Ky. Acts ch. 90, sec. 1, effective July 15, 1996. -- Created 1994 Ky. Acts ch. 414, sec. 1, effective July 15, 1994.

**75.010 Establishment of fire protection or volunteer fire department district.**

- (1) A fire protection district or a volunteer fire department district may be created in accordance with the procedures of KRS 65.182.
- (2) In no event shall any fire protection district or any volunteer fire department district include within its metes and bounds any territory at that time or thereafter included in any city of this Commonwealth which maintains a "regular fire department," and which city has paid its proportionate share of the indebtedness incurred while such territory was a part of that district.

**Effective:** July 13, 1984

**History:** Amended 1984 Ky. Acts ch. 100, sec. 7, effective July 13, 1984. -- Amended 1978 Ky. Acts ch. 384, sec. 195, effective June 17, 1978. -- Amended 1976 (1st Extra. Sess.) Ky. Acts ch. 14, sec. 67, effective January 2, 1978. -- Amended 1976 Ky. Acts ch. 62, sec. 77. -- Amended 1968 Ky. Acts ch. 152, sec. 47. -- Amended 1966 Ky. Acts ch. 239, sec. 25. -- Amended 1964 Ky. Acts ch. 184, sec. 1. -- Amended 1960 Ky. Acts ch. 104, sec. 3. -- Created 1944 Ky. Acts ch. 133, sec. 1.

**65.184 Petition -- Contents -- Signatures.**

- (1) A valid petition for the creation of a taxing district shall be in substantially the following form:  
"The following registered voters of (insert name of county) hereby petition the fiscal court to form a (insert type of taxing district) which shall have the authority to impose a special ad valorem tax of (insert exact amount) on each one hundred dollars (\$100) worth of property assessed for local taxation in the district for the following reasons: (A valid petition shall contain a brief list in layman's terms of the reasons for the creation of the taxing district.)"
- (2) The petition shall contain the name and address of each petitioner. Each signature shall be dated as of the day of its execution, the last signature no later than one hundred eighty (180) days from the first signature.

**Effective:** July 13, 1984

**History:** Created 1984 Ky. Acts ch. 100, sec. 3, effective July 13, 1984.

65.192 - 1

**65.192 Alternate method of creating a taxing district in counties containing a consolidated local government or a city of the first class.**

In counties containing a consolidated local government or city of the first class, the following method of creating a taxing district shall be an alternative to KRS 65.182 to 65.190:

- (1) Persons desiring to form a taxing district shall present a petition to the fiscal court clerk or clerk of the legislative council of a consolidated local government and to each member of the fiscal court or consolidated local government council, requesting that the question of establishing the special district be placed upon the ballot for the next general election. The petition shall be signed by at least one hundred (100) registered voters from each senatorial district, contained wholly or partially within the proposed taxing district. If one hundred (100) registered voters do not reside within a senatorial district and within the boundaries of the proposed taxing district, then the petition shall be signed by twenty-five percent (25%) of the registered voters within said senatorial district. At the time of its submission to the fiscal court or consolidated local government council each petition shall be accompanied by a plan of service, showing such of the following as may be germane to the purposes for which the taxing district is being formed:
  - (a) The statutory authority under which the district is created and under which the taxing district will operate;
  - (b) The method of creating and appointing the governing body of such district if it is to be different from the general statutory authority under which it will operate;
  - (c) Demographic characteristics of the area, including but not limited to population, density, projected growth, and assessed valuation;
  - (d) A description of the service area, including but not limited to the population to be served, a metes and bounds description of the area of the proposed taxing district, the anticipated date of beginning service, the nature and extent of the proposed service, the projected effect of providing service on the social and economic growth of the area, and projected growth in service demand or need;
  - (e) A three (3) year projection of cost versus revenue and the method chosen for raising such revenues as authorized in this section;
  - (f) Justification for formation of the taxing district, including but not limited to the location of nearby governmental and nongovernmental providers of like services; and
  - (g) Any additional information such as land use plans, existing land uses, drainage patterns, health problems, and other similar analyses which bear on the necessity and means of providing the proposed service.
- (2) The fiscal court clerk or the clerk of the legislative council of a consolidated local government shall notify all planning commissions, cities, and area development districts within whose jurisdiction the proposed service area is located and any state agencies required by law to be notified of the proposal for the creation of the taxing district.

- (3) The fiscal court clerk or the clerk of the legislative council of a consolidated local government shall review the petition, and if the fiscal court or consolidated local government council determines that the signatures are valid, the fiscal court or consolidated local government council shall schedule a hearing on the proposal for no earlier than thirty (30) nor later than sixty (60) days following receipt of the petition, charter, and plan of service, and shall, in accordance with the provisions of KRS Chapter 424, publish notice which includes the time and place of the public hearing, alerts the public that the issue discussed at the hearing will be placed upon the ballot, and includes an accurate map of the area or a description in layman's terms reasonably identifying the area.
- (4) At the public hearing, the fiscal court or the legislative council of a consolidated local government shall take testimony of interested parties and solicit the recommendations of any planning commission, city, area development district, or state agency meeting the criteria of subsection (2) of this section.
- (5) Following the public hearing, the fiscal court or the legislative council of a consolidated local government shall adopt a resolution submitting to the qualified voters of the county or the consolidated local government the question as to whether a taxing district should be established for the area and a special ad valorem tax or an occupational license fee imposed for the maintenance and operation of the district. A certified copy of the order of the fiscal court or the legislative council of a consolidated local government shall be filed with the county clerk not later than the second Tuesday in August prior to the next regular election and thereupon the clerk shall cause the question to be placed upon the ballot.
- (6) The question shall be stated so that the service to be provided by the district, the type of governing body, and the method of financing as allowed by this section are clearly outlined.
- (7) If a majority of those voting on the question favor the establishment of a special district with authorization to impose an ad valorem tax, then it shall be so established and shall constitute and be a taxing district within the meaning of Section 157 of the Constitution of Kentucky. If a majority of those voting on the question favor the establishment of a special district with an increase in the occupational license fee as authorized by this section, it shall be so established and shall operate as set forth in the question on the ballot.
- (8) If an ad valorem tax is approved, the county clerk shall add the levy to the tax bills of the county or the consolidated local government. For taxing purposes, the effective date of the tax levy shall be January 1 of the year following the election. If an occupational license fee increase is approved, the appropriate legislative bodies shall add the levy to the occupational license fee as of January 1 of the year following the election. The tax or fee shall be collected in the same manner as are other county or consolidated local government ad valorem taxes or occupational license fees and shall be turned over to the governing body of the district. The special ad valorem tax or fee shall be in addition to all other ad valorem taxes or occupational license fees.



- (9) Nothing in this section shall be construed to enlarge upon or to restrict the powers granted a taxing district under the taxing district's specific authorizing statutes.
- (10) A special district created pursuant to this section may be financed either by a special ad valorem tax imposed by the governing body of the district, as authorized by the voters in an election on the question, of an amount not to exceed ten cents (\$0.10) per one hundred dollars (\$100) of assessed value of the property subject to local taxation of the district; or by a levy of occupational license fees by the public body or bodies with jurisdiction over the area served by the special district, if the levy has been approved by the voters in an election on the question. The special district shall not levy both an ad valorem tax and an occupational license fee. The occupational license fee shall not exceed one percent (1%) of:
  - (a) Salaries, wages, commissions, and other compensation earned by persons for work done and services performed or rendered; and
  - (b) The net profits of businesses, trades, professions, or occupations from activities conducted in the district, except public service companies, banks, trust companies, combined banks and trust companies, combined trust, banking and title companies, any savings and loan association whether state or federally chartered, and in all other cases where a public body is prohibited by law from imposing a license fee.
- (11) The budget of any taxing district created pursuant to this section shall be approved by the fiscal court or legislative council of a consolidated local government if financed by an ad valorem tax, or by the fiscal court or the legislative council of a consolidated local government and the legislative body levying the fee, if funded by an occupational license fee increase. The board of the district shall submit its estimate of revenue and proposed budget to the appropriate approving body or bodies by May 1 of each year, and such body or bodies shall approve or amend the budget by June 1.

Effective: July 15, 2002

History: Amended 2002 Ky. Acts ch. 346, sec. 26, effective July 15, 2002. -- Amended 1996 Ky. Acts ch. 195, sec. 29, effective July 15, 1996. -- Created 1986 Ky. Acts ch. 484, sec. 1, effective July 15, 1986.

#### **108.100 Creation of districts -- Collection of taxes.**

- (1) A district may be created by the fiscal court as provided in KRS 65.182. In the event that the citizens of a city seek to create a district the boundaries of which shall be coterminous with those of the city, or which lie wholly within the boundaries of said city such citizens shall petition the city legislative body and the city legislative body shall exercise all rights, powers and duties of the fiscal court as set forth in KRS 65.182 in determining whether to create the district.
- (2) The special ad valorem tax that may be imposed for the maintenance and operation of the district, shall not exceed ten cents (\$0.10) on each one hundred dollars (\$100) of the assessed valuation of all property in the district.
- (3) Upon the creation of a district by a fiscal court or city legislative body as provided in KRS 65.182, the district shall be so established and shall constitute and be a taxing district within the meaning of Section 157 of the Constitution of Kentucky.
- (4) If the ambulance district consists solely of a single city, the ad valorem tax, as authorized by KRS 108.100 to 108.180, shall be collected in the same manner as are the other city ad valorem taxes, and turned over to the board of the ambulance service district. All other special ad valorem taxes authorized by KRS 108.080 to 108.180 shall be collected in the following manner:
  - (a) The property valuation administrator of the county shall note on the tax rolls the taxpayers and valuation of the property subject to such assessment;
  - (b) The county clerk shall compute the tax on the regular state and county tax bills;
  - (c) The special ad valorem tax shall be in addition to all other ad valorem taxes;
  - (d) The sheriff shall collect the tax, turn it over to the board of the ambulance district, and shall be entitled to a fee of four percent (4%) of the amount of the tax collected by him for such district and all other special ad valorem taxes authorized by KRS 108.080 to 108.180 shall be collected in the same manner as are other county and city ad valorem taxes in each county and city affected and shall be turned over to the board of directors as the governing body of the district. The special ad valorem tax shall be in addition to all other ad valorem taxes. The sheriff shall be entitled to a fee of one percent (1%) of the amount of the tax collected by him for all special ad valorem taxes except the tax for the ambulance district.

**Effective:** July 13, 1984

**History:** Amended 1984 Ky. Acts ch. 100, sec. 10, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 231, sec. 3, effective July 15, 1982; and ch. 360, sec. 34, effective July 15, 1982. -- Amended 1980 Ky. Acts ch. 86, sec. 3, effective July 15, 1980; and ch. 119, sec. 9, effective July 15, 1980. -- Amended 1978 Ky. Acts ch. 384, sec. 242, effective June 17, 1978. -- Created 1974 Ky. Acts ch. 33, sec. 3.

J m P

**108.105 Alternate method for creation of ambulance service district.**

- (1) It is the intent of this section to create an alternative means of creating an ambulance service district in any city or county of the Commonwealth which has not heretofore created the same.
- (2) In all counties where a ~~county or city-county ambulance service~~ has not been established pursuant to KRS 108.080 to 108.180, an ambulance service district may be created in accordance with the provisions of this section.
- (3) The fiscal court or local legislative body may by ordinance create an ambulance service district and an ambulance service district tax in such amount as deemed sufficient, but not in excess of ten cents (\$0.10) per one hundred dollars (\$100) of full assessed valuation.
- (4) The ambulance service district tax shall be collected in the same manner as provided in KRS 108.080 to 108.180 and shall be used solely for the maintenance and operation of the city, county, city-county, or ~~district ambulance service~~.
- (5) Other matters with regard to the operation and management of the ambulance service district shall be in accordance with the provisions of KRS 108.080 to 108.180 insofar as they do not conflict with the provisions of this section.
- (6) Nothing in this section shall be construed as to abridge the rights of two (2) or more cities, counties or cities in those counties from establishing a joint ambulance service district as provided in KRS 108.080 to 108.180.

Effective: July 15, 1980

History: Created 1980 Ky. Acts ch. 119, sec. 8, effective July 15, 1980.